

OFFICERS

OTHERS

DIRECTORS OR TRUSTEES

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Subscribed and sworn to before me this _____ day of _____, 2005

a. Is this an original filing? Yes[X] No[]

b. If no,

1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds	1,402,003		1,402,003	1,402,827
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances)				
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....3,934,952), cash equivalents (\$.....) and short-term investments \$.....)	3,934,952		3,934,952	4,074,910
6.	Contract loans (including \$..... premium notes)				
7.	Other invested assets				
8.	Receivables for securities				
9.	Aggregate write-ins for invested assets				
10.	Subtotals, cash and invested assets (Lines 1 to 9)	5,336,955		5,336,955	5,477,737
11.	Title plants less \$..... charged off (for Title insurers only)				
12.	Investment income due and accrued	12,161		12,161	8,520
13.	Premiums and considerations:				
13.1	Uncollected premiums and agents' balances in the course of collection				
13.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums)				
13.3	Accrued retrospective premiums				
14.	Reinsurance:				
14.1	Amounts recoverable from reinsurers				
14.2	Funds held by or deposited with reinsured companies				
14.3	Other amounts receivable under reinsurance contracts				
15.	Amounts receivable relating to uninsured plans	84,620		84,620	
16.1	Current federal and foreign income tax recoverable and interest thereon				
16.2	Net deferred tax asset				
17.	Guaranty funds receivable or on deposit				
18.	Electronic data processing equipment and software				
19.	Furniture and equipment, including health care delivery assets (\$.....)				
20.	Net adjustments in assets and liabilities due to foreign exchange rates				
21.	Receivables from parent, subsidiaries and affiliates				
22.	Health care (\$.....) and other amounts receivable				
23.	Aggregate write-ins for other than invested assets	44,714	44,714		
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23)	5,478,450	44,714	5,433,736	5,486,257
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
26.	TOTAL (Lines 24 and 25)	5,478,450	44,714	5,433,736	5,486,257
DETAILS OF WRITE-INS					
0901	.....			
0902	.....			
0903	.....			
0998.	Summary of remaining write-ins for Line 9 from overflow page				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)				
2301.	Prepaid Expenses	44,714	44,714		
2302	.....			
2303	.....			
2398.	Summary of remaining write-ins for Line 23 from overflow page				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	44,714	44,714		

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded)	229,247		229,247	279,225
2.	Accrued medical incentive pool and bonus amounts				
3.	Unpaid claims adjustment expenses	432,389		432,389	356,628
4.	Aggregate health policy reserves				
5.	Aggregate life policy reserves				
6.	Property/casualty unearned premium reserve				
7.	Aggregate health claim reserves				
8.	Premiums received in advance				
9.	General expenses due or accrued	20,999		20,999	41,320
10.1	Current federal and foreign income tax payable and interest thereon (including \$..... on realized gains (losses))				
10.2	Net deferred tax liability				
11.	Ceded reinsurance premiums payable				
12.	Amounts withheld or retained for the account of others				
13.	Remittances and items not allocated				
14.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
15.	Amounts due to parent, subsidiaries and affiliates	27,220		27,220	164,482
16.	Payable for securities				
17.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers)				
18.	Reinsurance in unauthorized companies				
19.	Net adjustments in assets and liabilities due to foreign exchange rates				
20.	Liability for amounts held under uninsured accident and health plans				92,086
21.	Aggregate write-ins for other liabilities (including \$..... current)				
22.	Total liabilities (Lines 1 to 21)	709,855		709,855	933,741
23.	Aggregate write-ins for special surplus funds	X X X	X X X		
24.	Common capital stock	X X X	X X X	100	100
25.	Preferred capital stock	X X X	X X X		
26.	Gross paid in and contributed surplus	X X X	X X X	2,989,400	2,989,400
27.	Surplus notes	X X X	X X X		
28.	Aggregate write-ins for other than special surplus funds	X X X	X X X		
29.	Unassigned funds (surplus)	X X X	X X X	1,734,381	1,563,016
30.	Less treasury stock, at cost:				
30.1	..... shares common (value included in Line 24 \$.....)	X X X	X X X		
30.2	..... shares preferred (value included in Line 25 \$.....)	X X X	X X X		
31.	Total capital and surplus (Lines 23 to 29 minus Line 30)	X X X	X X X	4,723,881	4,552,516
32.	Total Liabilities, capital and surplus (Lines 22 and 31)	X X X	X X X	5,433,736	5,486,257
DETAILS OF WRITE-INS					
2101	.....			
2102	.....			
2103	.....			
2198.	Summary of remaining write-ins for Line 21 from overflow page				
2199.	TOTALS (Lines 2101 through 2103 plus 2198) (Line 21 above)				
2301	.....	X X X	X X X		
2302	.....	X X X	X X X		
2303	.....	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		
2801	.....	X X X	X X X		
2802	.....	X X X	X X X		
2803	.....	X X X	X X X		
2898.	Summary of remaining write-ins for Line 28 from overflow page	X X X	X X X		
2899.	TOTALS (Lines 2801 through 2803 plus 2898) (Line 28 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year To Date		Prior Year To Date
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X		
2.	Net premium income (including \$..... non-health premium income)	X X X		
3.	Change in unearned premium reserves and reserves for rate credits	X X X		
4.	Fee-for-service (net of \$..... medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	Aggregate write-ins for other non-health revenues	X X X		
8.	Total revenues (Lines 2 to 7)	X X X		
Hospital and Medical:				
9.	Hospital/medical benefits			
10.	Other professional services			
11.	Outside referrals			
12.	Emergency room and out-of-area			
13.	Prescription drugs			
14.	Aggregate write-ins for other hospital and medical			
15.	Incentive pool, withhold adjustments and bonus amounts			
16.	Subtotal (Lines 9 to 15)			
Less:				
17.	Net reinsurance recoveries			
18.	Total hospital and medical (Lines 16 minus 17)			
19.	Non-health claims (net)			
20.	Claims adjustment expenses, including \$.....115,854 cost containment expenses		(135,375)	(62,236)
21.	General administrative expenses		(102,369)	(186,742)
22.	Increase in reserves for life and accident and health contracts (including \$..... increase in reserves for life only)			
23.	Total underwriting deductions (Lines 18 through 22)		(237,744)	(248,978)
24.	Net underwriting gain or (loss) (Lines 8 minus 23)	X X X	237,744	248,978
25.	Net investment income earned		62,023	42,683
26.	Net realized capital gains (losses) less capital gains tax of \$.....			
27.	Net investment gains or (losses) (Lines 25 plus 26)		62,023	42,683
28.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....) (amount charged off \$.....)]			
29.	Aggregate write-ins for other income or expenses			
30.	Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	X X X	299,767	291,661
31.	Federal and foreign income taxes incurred	X X X	100,158	96,999
32.	Net income (loss) (Lines 30 minus 31)	X X X	199,609	194,662
DETAILS OF WRITE-INS				
0601	.....	X X X		
0602	.....	X X X		
0603	.....	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
0701	.....	X X X		
0702	.....	X X X		
0703	.....	X X X		
0798.	Summary of remaining write-ins for Line 7 from overflow page	X X X		
0799.	TOTALS (Lines 0701 through 0703 plus 0798) (Line 7 above)	X X X		
1401	.....		
1402	.....		
1403	.....		
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
2901	.....		
2902	.....		
2903	.....		
2998.	Summary of remaining write-ins for Line 29 from overflow page			
2999.	TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)			

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year
CAPITAL & SURPLUS ACCOUNT			
33. Capital and surplus prior reporting year	4,552,516	4,004,708	4,004,708
GAINS AND LOSSES TO CAPITAL & SURPLUS			
34. Net income or (loss) from Line 32	199,609	194,662	548,888
35. Change in valuation basis of aggregate policy and claim reserves			
36. Change in net unrealized capital gains (losses) less capital gains tax of \$.....			
37. Change in net unrealized foreign exchange capital gain or (loss)			
38. Change in net deferred income tax			
39. Change in nonadmitted assets	(28,244)	(43,726)	(1,080)
40. Change in unauthorized reinsurance			
41. Change in treasury stock			
42. Change in surplus notes			
43. Cumulative effect of changes in accounting principles			
44. Capital Changes:			
44.1 Paid in			
44.2 Transferred from surplus (Stock Dividend)			
44.3 Transferred to surplus			
45. Surplus adjustments:			
45.1 Paid in			
45.2 Transferred to capital (Stock Dividend)			
45.3 Transferred from capital			
46. Dividends to stockholders			
47. Aggregate write-ins for gains or (losses) in surplus			
48. Net change in capital and surplus (Lines 34 to 47)	171,365	150,936	547,808
49. Capital and surplus end of reporting period (Line 33 plus 48)	4,723,881	4,155,644	4,552,516
DETAILS OF WRITE-INS			
4701			
4702			
4703			
4798. Summary of remaining write-ins for Line 47 from overflow page			
4799. TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above)			

Report #2A: TENNCARE OPERATIONS STATEMENT OF REVENUES AND EXPENSES

June 30, 2005

Prepared in accordance with instructions from TDCI

	Current Quarter	Current Year	Previous Year
	Total	Total	Total
MEMBER MONTHS	154,659	304,507	578,206
REVENUES:			
1. TennCare Capitation	Current Qtr	YTD	
Capitation	-	-	
ASO Administrative fees received	2,044,507	4,011,051	
ASO Medical expense	16,539,155	32,387,587	
Premium Tax Expense	340,765	701,851	
2. Adverse Selection	-	-	-
3. Total (Lines 1 and 2)	18,924,427	37,100,489	64,654,812
4. Investment	33,917	62,023	83,422
5. Other Revenue (Provide detail)	-	-	-
6. TOTAL (Lines 3 to 5)	18,958,344	37,162,512	64,738,234
EXPENSES:			
Medical and Hospital Services			
7. Capitated Physician Services	83,177	157,128	224,145
8. Fee for Service Physician Services	5,936,082	13,002,299	23,298,075
9. Inpatient Hospital Services	5,864,096	9,753,757	16,025,356
10. Outpatient Services	1,388,407	3,614,868	6,385,803
11. Emergency Room Services	754,553	1,820,487	2,738,745
12. Mental Health Services	-	-	-
13. Dental Services	-	-	-
14. Vision Services	96,369	173,070	330,415
15. Pharmacy Services	-	245	1,134
16. Home Health Services	561,814	561,990	519
17. Chiropractic Services	1,016	2,343	2,800
18. Radiology Services	536,054	1,313,242	2,331,208
19. Laboratory Services	219,525	457,368	779,210
20. Durable Medical Equipment Services	461,880	734,555	1,549,680
21. Transportation Services	654,796	982,467	1,800,983
22. Outside Referrals	-	-	-
23. Medical Incentive Pool and Withhold Adjustments	-	-	-
24. Occupancy, Depreciation and Amortization	-	-	-
25. Other Medical and Hospital Services (Provide Detail)	25,943	75,694	171,682
27. Subtotal (Lines 7 to 26)	16,583,712	32,649,513	55,639,755
LESS:			
28. Net Reinsurance Recoveries	(20,134)	(166,690)	(332,012)
29. Copayments	9,570	28,037	106,769
30. Subrogation and Coordination of Benefits	80,121	425,579	202,426
Subtotal (Lines 27 to 29)	69,557	286,926	(22,817)
31. TOTAL MEDICAL AND HOSPITAL (Line 26 less 30)	16,514,155	32,362,587	55,662,572
Administration:			
32. Compensation	-	-	-
33. Marketing	-	-	-
34. Interest Expense	-	-	-
35. Premium Tax Expense	340,765	701,851	1,243,212
36. Occupancy, Depreciation and Amortization	-	-	-
37. Other Administration (Provide detail) **	1,870,856	3,798,307	7,000,799
38. TOTAL ADMINISTRATION (Lines 32 to 37)	2,211,621	4,500,158	8,244,011
39. TOTAL EXPENSES (Lines 31 and 38)	18,725,776	36,862,745	63,906,583
40. Extraordinary Item	-	-	-
41. Provision for Income Tax	88,360	100,158	282,762
42. NET INCOME/(LOSS) (Line 6 less Lines 39, 40 and 41)	144,208	199,609	548,889

-- Other Administration Detail			
Administration Fees *	1,839,774	3,657,514	6,766,574
Unpaid Claims Adjustment Expense - Change in Reserve	90	75,761	80,885
ASO Admin Fees	-	-	-
Payroll Taxes	-	-	-
Pharmacy Admin Fees	-	-	(238)
Legal Fees	-	-	(10,388)
Accounting Fees	8,250	16,500	28,000
Consulting	204	204	5,170
Liability Insurance	18,459	38,827	84,212
Dues, Fees & Subscriptions	-	640	20
Bank Fees	4,077	8,861	19,586
State Tax	-	-	1,978
Abandonment Accrual	-	-	25,000
Case Mgmt Fees	-	-	-
Total Other Administration	1,870,854	3,798,307	7,000,799

* Includes Administrative Fees paid to Affiliates

Other Medical and Hospital			
Misc Medical Expense	(25,000)	(25,000)	-
Case Management fees	50,943	100,694	171,682

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance		(291,006)
2.	Net investment income	59,207	123,150
3.	Miscellaneous income		
4.	Total (Lines 1 through 3)	59,207	(167,856)
5.	Benefit and loss related payments	49,978	4,619,590
6.	Net transfers to Separate, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	(80,873)	(969,655)
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) \$..... net of tax on capital gains (losses)		
10.	Total (Lines 5 through 9)	(30,895)	3,649,935
11.	Net cash from operations (Line 4 minus Line 10)	90,102	(3,817,791)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds		1,100,000
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	Total investment proceeds (Lines 12.1 to 12.7)		1,100,000
13.	Cost of investments acquired (long-term only):		
13.1	Bonds		1,403,657
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications		
13.7	Total investments acquired (Lines 13.1 to 13.6)		1,403,657
14.	Net increase (or decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14)		(303,657)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	(230,060)	(265,042)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(230,060)	(265,042)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(139,958)	(4,386,490)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	4,074,910	8,461,400
19.2	End of period (Line 18 plus Line 19.1)	3,934,952	4,074,910

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001		

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1 Total	Comprehensive (Hospital & Medical)		4 Medicare Supplement	5 Vision Only	6 Dental Only	7 Federal Employees Health Benefit Plan	8 Title XVIII Medicare	9 Title XIX Medicaid	10 Stop Loss	11 Disability Income	12 Long-Term Care	13 Other
		2 Individual	3 Group										
Total Members at end of:													
1. Prior Year													
2. First Quarter													
3. Second Quarter													
4. Third Quarter													
5. Current Year													
6. Current Year Member Months													
Total Member Ambulatory Encounters for Period:													
7. Physician													
8. Non-Physician													
9. Total													
10. Hospital Patient Days Incurred													
11. Number of Inpatient Admissions													
12. Health Premiums Written													
13. Life Premiums Direct													
14. Property/Casualty Premiums Written													
15. Health Premiums Earned													
16. Property/Casualty Premiums Earned													
17. Amount Paid for Provision of Health Care Services	49,978								49,978				
18. Amount Incurred for Provision of Health Care Services													

CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

Aging Analysis of Unpaid Claims						
1	2	3	4	5	6	7
Account	1 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 days	Over 120 Days	Total
0199999 Individually Listed Claims Unpaid
0299999 Aggregate Accounts Not Individually Listed - Uncovered
0399999 Aggregate Accounts Not Individually Listed - Covered
0499999 Subtotals
0599999 Unreported claims and other claim reserves						229,247
0699999 Total Amounts Withheld						
0799999 Total Claims Unpaid						229,247
0899999 Accrued Medical Incentive Pool And Bonus Amounts						

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5	6
		1	2	3	4	Claims Incurred in Prior Years (Columns 1+3)	Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (hospital & medical)						
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan						
6.	Title XVIII - Medicare						
7.	Title XIX - Medicaid	49,978		229,247		279,225	279,225
8.	Other health						
9.	Health subtotal (Lines 1 to 8)	49,978		229,247		279,225	279,225
10.	Healthcare receivables (a)						
11.	Other non-health						
12.	Medical incentive pools and bonus amounts						
13.	TOTALS	49,978		229,247		279,225	279,225

(a) Excludes \$...... loans or advances to providers not yet expensed.

Notes to Financial Statement

Related Party Transactions

At June 30, 2005, the Company reported the following amounts payable:

No amounts due to Three Rivers Administrative Services, LLC, (also owned by Three Rivers Holdings, Inc) for amounts due under the Administrative Services Agreement. Payment is made monthly. Total expense incurred under this agreement is \$3,758,208.

\$27,220 due to the Parent Company, Holdings, for amounts due under the tax reimbursement agreement. Amounts under this agreement are payable quarterly. Total expense incurred under this agreement recorded in the current year is \$100,158.

Capital and Surplus

Unassigned surplus was reduced by the following amounts:

non admitted asset values \$44,714

Gain or Loss from Uninsured Plans:

The gain from operations from ASO uninsured plan was as follows for year-to-date June 30, 2005:

	ASO Uninsured Plans
a. Net reimbursement for administrative expenses in excess (deficit) of actual expenses	\$ 237,742
b. Total net other income or expenses	\$ -
c. Net gain or loss from operations (net of tax)	\$ 137,584
d. Total claim payment volume	\$ 31,964,975

Health Care Receivables:

Pharmaceutical Rebate Receivables:

As the company is operating as an ASO, no pharmacy rebates have been estimated since June 30, 2002. Rebates for periods after June 30, 2002, are reported on a cash basis as received and forwarded to TennCare. Received amounts listed below are calculated based on the date the PBM notified the Company of the invoiced rebates. The amounts listed below include payments received on behalf of TennCare under the ASO arrangement. No pharmacy rebate receivable balance is reported on the financial statements as no amounts are receivable prior to the ASO arrangement and all ASO activity is reported on a cash basis, including the amounts listed as invoiced/confirmed in the chart below for the quarters ending after June 30, 2002.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements (Original Estimate)	Pharmacy Rebates as Invoiced/ Confirmed	Actual Rebates Collected Within 90 Days of receiving Invoice	Actual Rebates Collected Within 91 to 180 Days of receiving Invoice	Actual Rebates Collected More Than 180 Days After receiving Invoice
6/30/03	0	133,621	0	87,889	47,654
3/31/03	0	130,186		112,027	19,536
12/31/02	0	134,361	0	104,538	30,918
9/30/02	0	127,243	0	110,477	18,233
6/30/02	133,963	145,816	2,710	136,033	7,729
3/31/02	126,366	138,930	0	112,334	27,887
12/31/01	117,277	178,806	0	142,088	36,718
9/30/01	0	158,496	0	130,488	28,008

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes that would require disclosure in the Notes to the Financial Statements?

Yes[] No[X]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 2.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[] N/A[X]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y - Part 1 - organization chart

Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

02/05/2004
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

09/28/2004
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

09/28/2004
- 7.4 By what department or departments?
Tennessee Department of Commerce and Insurance
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes[] No[X]
- 8.2 If yes, give full information
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[] No[X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[] No[X]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
..... Yes[] No[X] .	. Yes[] No[X] .	. Yes[] No[X] .	. Yes[] No[X] .	. Yes[] No[X] .

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes[] No[X]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$.....

INVESTMENT

- 11.1 Has there been any change in the reporting entity's own preferred or common stock?

Yes[] No[X]
- 11.2 If yes, explain:
- 12.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 12.2 If yes, give full and complete information relating thereto:
13. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....
14. Amount of real estate and mortgages held in short-term investments:

\$.....
- 15.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]
- 15.2 If yes, please complete the following:

GENERAL INTERROGATORIES (Continued)

		1	2
		Prior Year-End Book/Adjusted Carrying Value	Current Quarter Statement Value
15.21	Bonds		
15.22	Preferred Stock		
15.23	Common Stock		
15.24	Short-Term Investments		
15.25	Mortgages Loans on Real Estate		
15.26	All Other		
15.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 15.21 to 15.26)		
15.28	Total Investment in Parent included in Lines 15.21 to 15.26 above		

16.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

16.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[X]
Yes[] No[] N/A[X]

17. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV. H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes[X] No[]

1	2
Name of Custodian(s)	Custodian Address
First Tennessee Bank National Association	Memphis, Tennessee

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
.....

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

17.4 If yes, give full and complete information relating thereto:

Yes[] No[X]

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....

17.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

18.2 If no, list exceptions:

Yes[X] No[]

STATEMENT AS OF **June 30, 2005** OF THE **Better Health Plans, Inc**

SCHEDULE A - VERIFICATION

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Increase (decrease) by adjustment		
3.	Cost of acquired		
4.	Cost of additions to and permanent improvements		
5.	Total profit (loss) on sales		
6.	Increase (decrease) by foreign exchange adjustment		
7.	Amount received on sales		
8.	Book/adjusted carrying value at end of current period		
9.	Total valuation allowance		
10.	Subtotal (Lines 8 plus 9)		
11.	Total nonadmitted amounts		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column)		

SCHEDULE B - VERIFICATION

Mortgage Loans

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Accrual of discount and mortgage interest points and commitment fees		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column)		

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year		
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions		
2.2	Additional investment made after acquisitions		
3.	Accrual of discount		
4.	Increase (decrease) by adjustment		
5.	Total profit (loss) on sale		
6.	Amounts paid on account or in full during the period		
7.	Amortization of premium		
8.	Increase (decrease) by foreign exchange adjustment		
9.	Book/adjusted carrying value of long-term invested assets at end of current period		
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)		
12.	Total nonadmitted amounts		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year	1,402,828	1,119,954
2.	Cost of bonds and stocks acquired		1,403,657
3.	Accrual of discount		
4.	Increase (decrease) by adjustment	(825)	(20,783)
5.	Increase (decrease) by foreign exchange adjustment		
6.	Total profit (loss) on disposal		
7.	Consideration for bonds and stocks disposed of		1,100,000
8.	Amortization of premium		
9.	Book/adjusted carrying value, current period	1,402,003	1,402,828
10.	Total valuation allowance		
11.	Subtotal (Lines 9 plus 10)	1,402,003	1,402,828
12.	Total nonadmitted amounts		
13.	Statement value	1,402,003	1,402,828

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1	1,402,416			(413)	1,402,416	1,402,003		1,402,827
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. TOTAL Bonds	1,402,416			(413)	1,402,416	1,402,003		1,402,827
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. TOTAL Preferred Stock								
15. TOTAL Bonds & Preferred Stock	1,402,416			(413)	1,402,416	1,402,003		1,402,827

14 Schedule DA Part 1 NONE

14 Schedule DA Part 2 Verification NONE

15 Schedule DB Part F Section 1 NONE

16 Schedule DB Part F Section 2 NONE

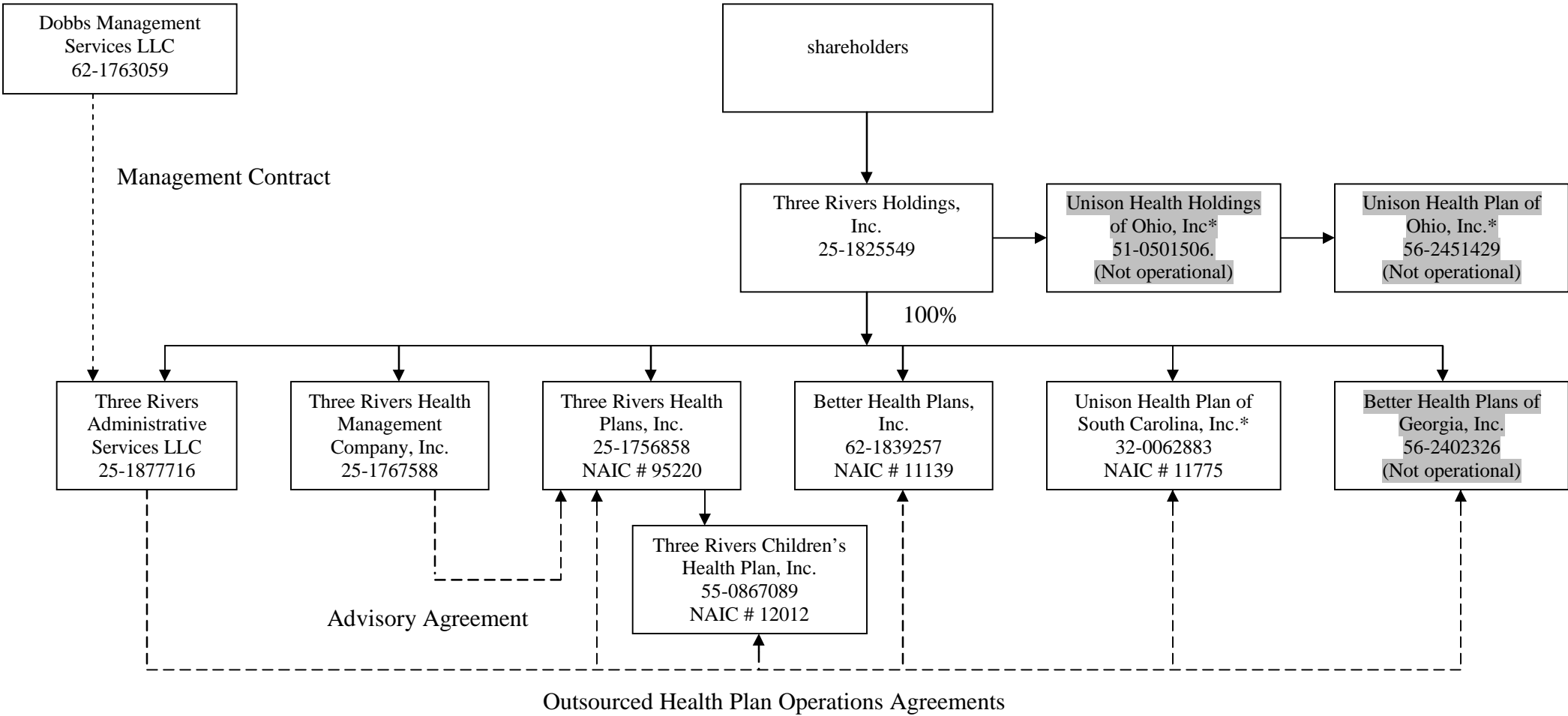
17 Schedule S Ceded Reinsurance NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS
Allocated by States and Territories

		1	2	Direct Business Only Year-to-Date					
				3	4	5	6	7	8
State, Etc.		Guaranty Fund (Yes or No)	Is Insurer Licensed (Yes or No)	Accident and Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life and Annuity Premiums and Deposit-Type Contract Funds	Property/ Casualty Premiums
1.	Alabama (AL)	No ..	No ..						
2.	Alaska (AK)	No ..	No ..						
3.	Arizona (AZ)	No ..	No ..						
4.	Arkansas (AR)	No ..	No ..						
5.	California (CA)	No ..	No ..						
6.	Colorado (CO)	No ..	No ..						
7.	Connecticut (CT)	No ..	No ..						
8.	Delaware (DE)	No ..	No ..						
9.	District of Columbia (DC)	No ..	No ..						
10.	Florida (FL)	No ..	No ..						
11.	Georgia (GA)	No ..	No ..						
12.	Hawaii (HI)	No ..	No ..						
13.	Idaho (ID)	No ..	No ..						
14.	Illinois (IL)	No ..	No ..						
15.	Indiana (IN)	No ..	No ..						
16.	Iowa (IA)	No ..	No ..						
17.	Kansas (KS)	No ..	No ..						
18.	Kentucky (KY)	No ..	No ..						
19.	Louisiana (LA)	No ..	No ..						
20.	Maine (ME)	No ..	No ..						
21.	Maryland (MD)	No ..	No ..						
22.	Massachusetts (MA)	No ..	No ..						
23.	Michigan (MI)	No ..	No ..						
24.	Minnesota (MN)	No ..	No ..						
25.	Mississippi (MS)	No ..	No ..						
26.	Missouri (MO)	No ..	No ..						
27.	Montana (MT)	No ..	No ..						
28.	Nebraska (NE)	No ..	No ..						
29.	Nevada (NV)	No ..	No ..						
30.	New Hampshire (NH)	No ..	No ..						
31.	New Jersey (NJ)	No ..	No ..						
32.	New Mexico (NM)	No ..	No ..						
33.	New York (NY)	No ..	No ..						
34.	North Carolina (NC)	No ..	No ..						
35.	North Dakota (ND)	No ..	No ..						
36.	Ohio (OH)	No ..	No ..						
37.	Oklahoma (OK)	No ..	No ..						
38.	Oregon (OR)	No ..	No ..						
39.	Pennsylvania (PA)	No ..	No ..						
40.	Rhode Island (RI)	No ..	No ..						
41.	South Carolina (SC)	No ..	No ..						
42.	South Dakota (SD)	No ..	No ..						
43.	Tennessee (TN)	No ..	Yes ..						
44.	Texas (TX)	No ..	No ..						
45.	Utah (UT)	No ..	No ..						
46.	Vermont (VT)	No ..	No ..						
47.	Virginia (VA)	No ..	No ..						
48.	Washington (WA)	No ..	No ..						
49.	West Virginia (WV)	No ..	No ..						
50.	Wisconsin (WI)	No ..	No ..						
51.	Wyoming (WY)	No ..	No ..						
52.	American Samoa (AS)	No ..	No ..						
53.	Guam (GU)	No ..	No ..						
54.	Puerto Rico (PR)	No ..	No ..						
55.	U.S. Virgin Islands (VI)	No ..	No ..						
56.	Canada (CN)	No ..	No ..						
57.	Aggregate other alien (OT)	X X X ..	X X X ..						
58.	Subtotal	X X X ..	X X X ..						
59.	Reporting entity contributions for Employee Benefit Plans	X X X ..	X X X ..						
60.	Total (Direct Business)	X X X ..	(a)..... 1						
DETAILS OF WRITE-INS									
5701	.....	X X X ..	X X X ..						
5702	.....	X X X ..	X X X ..						
5703	.....	X X X ..	X X X ..						
5798.	Summary of remaining write-ins for Line 57 from overflow page	X X X ..	X X X ..						
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above)	X X X ..	X X X ..						

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



*Better Health Plans of OH Holdings, Inc name changed to Unison Health Holdings of Ohio, Inc effective April 1, 2005.
Better Health Plans of OH, Inc name changed to Unison Health Plan of Ohio, Inc effective March 7, 2005
Better Health Plans of South Carolina, Inc name changed to Unison Health Plan of South Carolina, Inc effective March 3, 2005

E01	Schedule A Part 2	NONE
E01	Schedule A Part 3	NONE
E02	Schedule B Part 1	NONE
E02	Schedule B Part 2	NONE
E03	Schedule BA Part 1	NONE
E03	Schedule BA Part 2	NONE
E04	Schedule D Part 3	NONE
E05	Schedule D Part 4	NONE
E06	Schedule DB Part A Section 1	NONE
E06	Schedule DB Part B Section 1	NONE
E07	Schedule DB Part C Section 1	NONE
E07	Schedule DB Part D Section 1	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1			2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
Depository			Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6 First Month	7 Second Month	8 Third Month	*
open depositories										
PNC Bank - Operating Account	Monroeville, PA			2.876	23,238	8,019	3,808,681	3,474,631	3,899,518	X X X
PNC Bank - ASO Account	Monroeville, PA			2.720	7,928		22,628	326,699	32,632	X X X
0199998 Deposits in .....1 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X	X X X			2,740	19,802	2,802	X X X
0199999 Totals - Open Depositories			X X X	X X X	31,166	8,019	3,834,049	3,821,132	3,934,952	X X X
0299998 Deposits in depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X	X X X						X X X
0299999 Totals - Suspended Depositories			X X X	X X X						X X X
0399999 Total Cash On Deposit			X X X	X X X	31,166	8,019	3,834,049	3,821,132	3,934,952	X X X
0499999 Cash in Company's Office			X X X	X X X	X X X	X X X				X X X
0599999 Total Cash			X X X	X X X	31,166	8,019	3,834,049	3,821,132	3,934,952	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Gross Investment Income
0199999 Total Cash Equivalents

Exhibit 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

	2	3	4	5	6	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
Individually Listed Receivables						
0199999 Total Individuals		None				
0299998 Premium due and unpaid not individually listed						
0299999 Total group						
0399999 Premiums due and unpaid from Medicare entities						
0499999 Premiums due and unpaid from Medicaid entities						
0599999 Accident and health premiums due and unpaid (Page 2, Line 10)						

EXHIBIT 3 - HEALTH CARE RECEIVABLES

1	2	3	4	5	6	7
Name of Debtor	1 - 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Nonadmitted	Admitted
Receivables not individually listed		None				
0499999 Total - Receivables not individually listed						
0599999 Health care receivables						

EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

1 Name of Affiliate	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 Over 90 Days	6 Nonadmitted	Admitted	
						7 Current	8 Non-Current
		None					
0399999 Total gross amounts receivable							